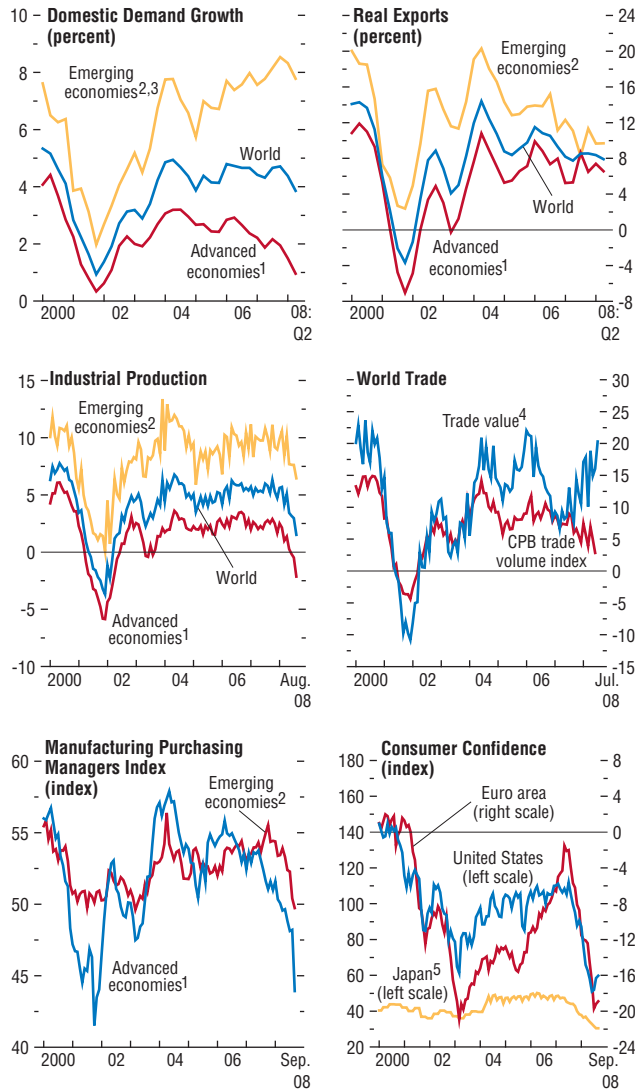


Figure 1.2. Current and Forward-Looking Indicators
(Percent change from a year earlier unless otherwise noted)

Domestic demand has slowed considerably in the advanced economies, and indicators of business sentiment and consumer confidence suggest that the deceleration is likely to intensify. Emerging economies have not decoupled, as slowing world trade has dampened manufacturing activity.



Sources: CPB Netherlands Bureau for Economic Policy Analysis for CPB trade volume index; for all others, NTC Economics and Haver Analytics.

¹Australia, Canada, Denmark, euro area, Japan, New Zealand, Norway, Sweden, Switzerland, United Kingdom, and United States.

²Argentina, Brazil, Bulgaria, Chile, China, Colombia, Czech Republic, Estonia, Hong Kong SAR, Hungary, India, Indonesia, Israel, Korea, Latvia, Lithuania, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Romania, Russia, Singapore, Slovak Republic, South Africa, Taiwan Province of China, Thailand, Turkey, Ukraine, and Rep. Bolivariana de Venezuela.

³Data for China and Pakistan are interpolated.

⁴Percent change from a year earlier in SDR terms.

⁵Japan's consumer confidence data are based on a diffusion index, where values greater than 50 indicate improving confidence.